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STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING  
1588 West North Temple  
Salt Lake City, Utah 84116  
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October 13, 1981

#0367508

REGISTERED - RETURN RECEIPT REQUESTED

Mr. Bill Ambrose  
President  
Universal Fuels, Inc.  
238 Denver Club Bldg.  
518 - 17th Street  
Denver, Colorado 80202

RE: White Jack Uranium Mine  
Sec. 15, T. 21S., R. 14E.  
ACT/015/023  
Emery County, Utah

Dear Mr. Ambrose:

The Division of Oil, Gas and Mining has been informed by Mr. Larry Lahusen that you are the individual to contact concerning the above referenced mining operation.

An inspection of the mine site by Division personnel has revealed the area to be abandoned and in an unreclaimed condition. Of particular concern are some open shafts and portal.

Universal Uranium filed a Notice of Intention and Mining and Reclamation Plan on January 22, 1979. Additional information was requested by the Division on February 22, 1979 and subsequently supplied on March 8, 1979 by Mr. Lahusen. On March 15, 1979, Mr. Lahusen requested a temporary approval to mine. A Division response to this request was made on March 26, 1979, asking for some additional commitments and information. The response to the commitments and the supplemental information were never received by the Division.

A response concerning the status of this operation and plans for any future activity, including reclamation, as well as a detailed topographic map delineating all surface facilities and disturbed acreages associated

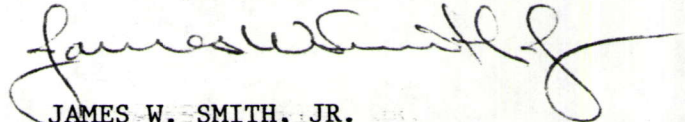


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with this operation is hereby requested by the Division of Oil, Gas and Mining. Failure to comply with this request will result in initiation of administrative action before the Board of Oil, Gas and Mining and the State Attorney General's office for conducting mining operations without an approved permit and failure to reclaim the disturbed areas upon abandonment.

Your prompt attention to this matter is greatly appreciated.

Sincerely,



JAMES W. SMITH, JR.  
COORDINATOR OF MINED LAND DEVELOPMENT

JWS/te